

DEPARTMENT OF FINANCIAL INSTITUTIONS
MINUTES OF MEETING
JUNE 11, 1998

The Members of the Department of Financial Institutions met at 9:00 a.m., EST, at 402 West Washington Street, Room W-066, Indianapolis, Indiana, on Thursday, June 11, 1998. Members present were Norman L. Lowery, Vice Chairman; Mrs. Loretta M. Burd, Tony Zaleski, Gary M. Smith and David D. Baer. Also present from the Department were Charles W. Phillips, Director; J. Philip Goddard, Chief Counsel; James M. Cooper, Deputy Director, Depository Division; Randall L. Rowe, Bank Supervisor; Kirk J. Schreiber, Sr. Bank Analyst; Gina R. Williams, Sr. Bank Analyst; David Pogue, Field Supervisor, Credit Union Division; Mark Tarpey, Division Supervisor, Consumer Credit Division; Chuck T. Stumpf, Deputy Director, Administration Division and Janice Davis, Administrative Assistant. Chairman Mark Hasten and Mr. DePasse were absent.

I. PUBLIC SESSION

A.) Attendance

B.) Date of next meeting: July 9, at 9:00 a.m., EST.

C.) A motion was made for approval of the minutes of the meeting held April 9, 1998, by Mr. Baer and seconded by Mr. Smith. The minutes were unanimously approved.

D.) Re-Organization of the members as stipulated in IC 28-11-1-8.

- 1. Election of Vice-Chairman – Mr Zaleski made a motion to nominate Mr. Norman Lowery as Vice Chairman, and was seconded by Mr. Baer. The motion was unanimously approved.**
- 2. Election of Secretary – Mr. Smith made a motion to nominate J. Philip Goddard as Secretary, and was seconded by Mr. Baer. The motion was unanimously approved.**
- 3. Election of Assistant Secretary – Mr. Zaleski made a motion to nominate James M. Cooper as Assistant Secretary, and was seconded by Mrs. Burd. The motion was unanimously approved.**
- 4. Any other organizational matters – There were no other organizational matters which needed to be addresses at this time.**

CREDIT UNION DIVISION

1.) Indiana Members Credit Union, Indianapolis, Marion County, Indiana

This application was presented by David D. Pogue, Field Supervisor, Credit Union Division. Indiana Members Credit Union has applied to the Members of the Department of Financial Institutions for approval of their proposed merger of Anderson Community Hospital Federal Credit Union (ACHFCU), Anderson, Madison County, Indiana into Indiana Members Credit Union (IMCU). This is a voluntary merger being entered into by the Board of Directors of ACHFCU due to the Anderson Community Hospital merging into Community Hospitals of Indianapolis. Community Hospitals of Indianapolis is a large select employee group within IMCU. Also, the members of ACHFCU would be able to obtain more services from IMCU than ACHFCU could provide to them. After the merger the surviving credit union (IMCU) will have increased capital from 8.50% to 8.56%, and loan delinquency will remain the same at 0.13%. The National Credit Union Administration reviewed and approved this merger on April 9, 1998.

Ms. Burd made a motion for approval and was seconded by Mr. Zaleski. The motion to approve the voluntary merger of Anderson Community Hospital Federal Credit Union into Indiana Members Credit Union was unanimously approved.

DIRECTOR'S COMMENTS AND REQUESTS

- A.)** Charles T. Stumpf, Jr., Deputy Director, Administrative Division, presented the proposed fee schedule for the fiscal year ending 6-30-98, for the Consumer Credit Division, Bank Division, and Credit Union Division. Mr. Stumpf explained the proposed fee schedule, which will be made part of the official records. A motion for approval of the fee schedule was made by Mr. Baer and seconded by Mr. Zaleski. The motion was unanimously approved.
- B.)** A brief discussion was held concerning the status of three recently approved de nova banks. Gina Willams discussed the grand opening of Busy Business Bank, Indianapolis. Kirk Schreiber discussed Pullman Bank and Trust Company, South Bend, and the delays with the Federal Reserve compliance examination that have caused a delay in the bank's opening. James Cooper updated the Members on the progress of the First Internet Bank, Indianapolis, FDIC application.
- C.)** The Director advised the Members of actions pursuant to delegated authority. Mr. Phillips asked for any questions or clarifications of the actions, which are as follows:

DIVISION OF BANK AND TRUST COMPANIES

1.) INDIANA COMMUNITY BANK, SB, LEBANON, BOONE COUNTY, INDIANA

The bank has applied to the Department for approval to pay dividends in excess of what is permitted by IC 28-13-4-3. The bank's dividend request asks approval to pay cash dividend of eighteen (\$0.18) cents per share payable April 28, 1998, to all shareholders of record as of April 15, 1998. Pro forma tier 1 leverage capital after the payment of the dividend would be 12.2% as of December 31, 1997. The bank's budgeted net income for fiscal year ending June 30, 1998, is \$751,811. As of December 31, 1997, the bank's Tier I capital ratio was 12.11% and ROA is 0.52%. The bank's average three-year ROA is approximately 0.61%. **The Director approved this on April 1, 1998, under Delegated Authority.**

2.) PENDLETON BANKING COMPANY, PENDLETON, MADISON COUNTY, INDIANA

The bank has applied for approval to open a branch banking office to be located in at **265 North State Road 9, Anderson, Madison County, Indiana.** The application was received on February 26, 1998. The branch will be known as the **Pendleton Banking Company Branch.**

The proposed branch is a 3,202 square foot Payless Supermarket that will be converted into a branch banking facility. The bank purchased the property from Payless Supermarkets, Inc., Anderson, Indiana for \$550M. It is estimated there will be \$450M additional costs to convert the building into a branching facility. Furniture, fixtures, and equipment are expected to cost \$100M.

No insider relationship exists between any insiders of the bank and any of the parties involved.

The bank received a satisfactory CAMEL rating as a result of a FDIC examination as of September 30, 1997. The bank's three-year average ROA is 1.68%. As of December 31, 1997, the Tier I leverage capital ratio is 11.81%. The investment in total fixed assets to total capital will increase from 8.10% before the opening of the branch to 17.07% after the branch is opened. This will be the institutions sixth branch. **The Director approved this on April 1, 1998, under Delegated Authority.**

3.) FIFTH THIRD BANK OF CENTRAL INDIANA, INDIANAPOLIS, MARION COUNTY, INDIANA

The bank has applied for approval to open two branch banking offices. The applications were received on March 20, 1998. One branch is to be located in the Kroger Supermarket at **905 N. Green Street, Brownsburg, Hendricks County, Indiana.** The branch will be known as **"Brownsburg Bankmart".** The bank will lease approximately 700 square feet from the Kroger Company, Cincinnati, Ohio. The term of the lease is for five years and has an option to renew for an additional five years. Annual rental of \$21,600 is due in monthly payments. Leasehold improvements are expected to cost \$60M. Furniture, fixtures, and equipment are expected to cost \$115M. No insider relationship exists between any insiders of the bank and any of the parties involved. The bank has received a satisfactory CAMELS rating as a result of a joint examination between the DFI and FRB as of December 31, 1997. The bank's three-year average ROA is 1.36%. As of December 31, 1997, the Tier I leverage capital ratio is 9.43%. The investment in total fixed assets to total capital will increase from 10.06% before the opening of the two branches to 10.34% after the branches are opened. This will be the institutions thirty-

second branch. **The Director approved this on April 20, 1998, under Delegated Authority.**

4.) **FIFTH THIRD BANK OF CENTRAL INDIANA, INDIANAPOLIS, MARION COUNTY INDIANA**

The second application from the bank is for approval to open a branch banking office to be located in the Kroger Supermarket at **5025 W. 71st Street, Indianapolis, Marion County, Indiana**. The branch will be known as the **"West 71st Street Bankmart"**. The bank will lease approximately 700 square feet from the Kroger Company, Cincinnati, Ohio. The term of the lease is for five years and has an option to renew for an additional five years. Annual rental of \$21,600 is due in monthly payments. Leasehold improvements are expected to cost \$60M. Furniture, fixtures, and equipment are expected to cost \$115M. No insider relationship exists between any insiders of the bank and any of the parties involved. This will be the institutions thirty-third branch. **The Director approved this on April 20, 1998, under Delegated Authority.**

5.) **CIB BANK, INDIANAPOLIS, MARION COUNTY, INDIANA**

The bank, a newly chartered commercial bank approved by the Members of the DFI on February 12, 1998, opened its door to the public on March 30, 1998. This branch application was received on April 1, 1998. As contemplated in the formation application, the bank intends to open one branch in both the first and second years of operation. The bank is requesting approval to open its first branch at **5435 North Emerson Way, Indianapolis, Marion County, Indiana**. The branch will be known as **"CIB Bank"**. The bank's holding company, Central Illinois Bancorp, Inc., Sidney, IL, has signed an agreement to lease approximately 3,882 square feet from the Columbus Life Insurance Company. Article X of the agreement allows the holding company to assign the lease to a wholly owned affiliate bank or entity. A draft of the assignment of the lease from the holding company to the bank was provided to the DFI. The term of the lease is for ten years with three options to renew for five years each. Annual rental of \$48,525 is due in monthly payments of \$4,043.75 for the first two years. During the next three years, annual rental payments total \$50,466 and during the last five years, annual rental payments total \$54,438.00. Leasehold improvements are projected to cost \$65M and furniture, fixtures, and equipment are estimated at \$188M. The bank's initial capitalization totaled \$10,500,000. The new bank application projected net income of \$4M in year one, \$269M in year two, \$682M in year three, \$970M in year four, and \$1,178 in year five. Total fixed assets to total capital will increase from 0.7% before the branch to 3.11% after the branch. **The Director approved this on April 20, 1998, under Delegated Authority.**

6.) **FIRST BANK OF HUNTINGBURG, HUNTINGBURG, DUBOIS COUNTY, INDIANA**

The bank has applied to the Department for approval to pay dividends in excess of what is permitted by IC 28-13-4-3. The bank's dividend request asks approval to pay cash dividends in 1998 of \$4,150,000 to its holding company, National City Bancshares, Inc., Evansville, Indiana. Pro forma tier 1 leverage capital after the payment of the dividend would be 8.03% as of December 31, 1997. The bank is projecting net income of \$1,441,000 for 1998. As of December 31, 1997, the bank's Tier I leverage capital ratio is 11.99%. It is the holding company's intent

that Tier 1 capital will not fall below 8.0%. The bank's average three-year ROA is 1.30%. **The Director approved this on April 20, 1998, under Delegated Authority.**

7.) **STATE BANK OF BURNETTSVILLE, BURNETTSVILLE, WHITE COUNTY, INDIANA**

The bank has applied to the Department for approval to pay dividends in excess of what is permitted by IC 28-13-4-3. The bank's dividend request asks approval to pay cash dividends in 1998 of \$552,000 to its holding company, SBB Bancshares, Burnettsville, Indiana. Pro forma tier 1 leverage capital after the payment of the dividend would be 9.39% as of December 31, 1997. The bank is projecting net income of \$147,948 for 1998. As of December 31, 1997, the bank's Tier I leverage capital ratio is 12.12%. The bank's average three-year ROA is 0.65%. **The Director approved this on April 20, 1998, under Delegated Authority.**

8.) **FOUNTAIN SQUARE BANK OF SOUTHERN INDIANA, INC., SELLERSBURG, CLARK COUNTY, INDIANA**

The bank, a newly chartered commercial bank approved by the Members of the DFI on February 12, 1998, has not opened its door to the public. At the time of approval by the Members, the bank's main office was expected to be located at 930 South Indiana, Sellersburg, Indiana. However, after the approval the bank determined that a different main office site would be more cost effective. This site is located at 521 East Highway 131, Clarksville, Clark County, Indiana. The bank will lease the building from Dan Goldsmith with an annual rental of \$42,000 for one year. The one year term of the lease expires February, 1999, with options to renew for four consecutive five year periods. The bank's initial capitalization is \$5,000,000. The relocation of the main office will not adversely effect the bank's financial projections submitted with the formation application as the cost of the new main office will be less than the original main office. **The Director approved this on April 20, 1998, under Delegated Authority.**

9.) **INDIANA COMMUNITY BANK, SB, LEBANON, BOONE COUNTY, INDIANA**

The bank has applied to the Department for permission to amend Article IX of its Articles of Stock Charter Conversion. The amendment will delete Article IX which primarily restricts the acquisition of more than ten percent (10%) of any class or equity security of the bank by a person for a period of five (5) years from the date the bank issues its first share of capital stock. A person is defined to include a corporation. This amendment is necessary in order to allow Waterfield Mortgage Company, Inc. (WMC) to acquire the outstanding stock of the bank per the Reorganization Agreement among WMC, Union Federal Savings Bank of Indianapolis, and Indiana Community Bank, SB, dated October 31, 1997. **The Director approved this on April 30, 1998, under Delegated Authority.**

10.) **VALLEY AMERICAN BANK, SOUTH BEND, ST. JOSEPH COUNTY, INDIANA**

The bank has applied for approval to open a branch banking office to be located inside of the Martin's Super Market at **1530 East Market Street, Nappanee, Elkhart County, Indiana**. The branch will be known as **"Martin's Supermarket"**. The application was received on April 20, 1998. The bank will lease approximately 594 square feet from Martin's Super

Markets, Inc., South Bend, Indiana. The term of the lease is for three years and has two options to renew for an additional three years each. Annual rental of \$36,000 is due in monthly payments. Leasehold improvements are expected to cost \$65M. Furniture, fixtures, and equipment are expected to cost \$55M. No insider relationship exists between any insiders of the bank and any of the parties involved. The bank received a satisfactory CAMEL rating as a result of an FDIC examination as of June 30, 1997. The bank's three-year average ROA is 0.86%. As of December 31, 1997, the Tier I leverage capital ratio is 8.35%. The investment in total fixed assets to total capital will increase from 23.36% before the opening the branch to 23.51% after the branch is opened. This will be the institutions twenty-fifth branch. **The Director approved this on May 6, 1998, under Delegated Authority.**

11.) **STOCK YARDS BANK AND TRUST COMPANY, LOUISVILLE, JEFFERSON COUNTY, KENTUCKY**

An application from Stock Yards Bank and Trust Company ("Stock Yards") was received by the Department to transact business in the State of Indiana in accordance with the provisions of IC 28-1-22. Stock Yards is incorporated as a Kentucky state chartered banking institution. Stock Yards intends to transact business as a Kentucky bank through branch offices in Indiana. Stock Yards has appointed David H. Brooks, 227 East Highway 131, Clarksville, Clark County, Indiana, as resident agent for service of legal process. **A Certificate of Admission was issued by the Director under Delegated Authority on May 6, 1998.**

12.) **DFI FORM 1020**

The Staff of the Department is requesting approval to amend **DFI Form 1020**, which is the **Application by a Foreign Bank Holding Company** pursuant to I.C. 28-2-16. The effective date of the revised form will be May 27, 1998. **The Director approved this on May 27, 1998, under Delegated Authority.**

13.) **AMERICAN STATE BANK, LAWRENCEBURG, DEARBORN COUNTY, INDIANA**

The bank has applied for approval of a new branch in the form of a courier service. An employee of the bank will pick up non cash deposits at customers' offices and deliver them to a bank branch for deposit. The deposits will be placed in a locked, fireproof bag. The bank courier will maintain a scheduled route and will deliver the bag with the deposit to an existing branch designated by the customer. Upon receipt, the bank will open the bag and verify the deposit. Upon validation, receipts will be returned to the customer. Service will be provided in Dearborn and adjacent counties. The bank will provide this service in already bank owned or leased vehicles. The branch will be known as "**American State Bank**". The application was received on April 24, 1998. The bank received a Satisfactory CAMELS rating as a result of an FDIC examination as of March 31, 1997. The bank's three-year average ROA is 0.53%. As of December 31, 1997, the Tier I leverage capital ratio is 7.57%. The investment in total fixed assets to total capital will remain unchanged at 34.86%. **The Director approved this on May 29, 1998, under Delegated Authority.**

14.) **VEVAY DEPOSIT BANK, VEVAY, SWITZERLAND COUNTY, INDIANA**

The bank has requested permission to hold three pieces of property in excess of the ten-year limitation prescribed in IC 28-1-11-5. The bank acquired **313 Ferry Street, Vevay, Indiana** on June 9, 1971, reportedly for use as a parking lot and later to expand the Main Office area. This property is located three building from the Main office. Since the acquisition of 313 Ferry Street, the bank has been able to acquire **307 Ferry Street** on December 1, 1986, **309 Ferry Street** on May 5, 1987, and **311 Ferry Street** on July 1, 1990. As such, the bank now has ownership of the one half block area. On April 15, 1998, the board of directors of the bank reaffirmed the bank's intention to use the four property sites for future bank expansion, although no definite plans have been developed. According to President Miller, **313 Ferry Street** is being rented, however, bank employees park behind it. The lower level of **309 Ferry Street** is also rented. The bank intends to use **307 Ferry Street** as storage space for closed trust accounts and could use the upper portion of **309 Ferry Street** for storage space if needed. **311 Ferry Street** is being used for bank storage of documents prior to their pick up for shredding and employee parking. First Financial Corporation, Hamilton, Ohio, acquired the bank on June 1, 1997. The bank was assigned a Satisfactory CAMEL rating as the result of an examination conducted by the FDIC that commenced on February 28, 1998. The tier 1 leverage capital ratio as of March 31, 1998, is 7.28%. Allowing the bank to continue to hold the real estate does not appear to endanger the safety and soundness of the bank. It is recommended that the bank be granted an extension to hold the real estate until June 30, 1999, at which time it will be necessary for the bank to provide definite plans and a timetable for the use of the real estate. **The Director approved this on May 29, 1998, under Delegated Authority.**

15). **THE HICKSVILLE BANK, HICKSVILLE, DEFINANCE COUNTY, OHIO**

An application from The Hicksville Bank was received by the Department to transact business in the State of Indiana in accordance with the provisions of IC 28-1-22. The Hicksville Bank is incorporated as a Ohio state chartered banking institution. The Hicksville Bank intends to transact business as a Ohio bank through branch offices in Indiana. The Hicksville Bank has appointed Monte L. Brown, 305 east Ninth Street, Auburn, DeKalb County, Indiana, as resident agent for service of legal process. **A Certificate of Admission was issued by the Director under Delegated Authority on May 29, 1998.**

DIVISION OF CREDIT UNIONS

1.) **KEMBA CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

Kemba Credit Union requests approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

BACOMPT – 40 members

The Director approved this on April 2, 1998, under Delegated Authority.

2.) **TEACHERS CREDIT UNION, SOUTH BEND, ST. JOSEPH COUNTY, INDIANA**

Teachers Credit Union requests approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

Quality Sheet Metal, Inc. - Walkerton - 2 members
FIRSTCARE, Inc. - Portage - 40 members
McCullough Scholten Construction, Inc. - Elkhart - 20 members
Eakins Leather & Shoe Findings, Inc. - Mishawaka - 2 members
Mike Anderson Chrysler, Plymouth, Dodge, & Jeep - Rochester - 18 members
Copa, LLC - Indianapolis - 2 members
Oxford Automotive - Argos - 445 members
Great Lakes Windows, Inc. - South Bend - 7 members
Thomas J. Edgington, Ph.D., Inc. - Winona Lake - 1 member
Gary's Floors and Walls - South Bend - 1 member
Jackson Chiropractic - Green Castle - 1 member
Ratcliff & Associates - South Bend - 1 member
A-1 Japanese Auto - Marietta, GA - 2 members

The Director approved this on April 6, 1998, under Delegated Authority.

3.) **STATE MERIT SERVICE CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

State Merit Service Credit Union requests approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Service Delivery Area employees affiliated with the Department of Workforce Development - Indianapolis - 350 members
Employees of the Indiana Department of Transportation - Indianapolis - 2,500 members
Western Select Property Management - Indianapolis - 6 members
Air*Land*Sea Transportation Service - Indianapolis - 20 members
H.L.YOH Company - Indianapolis - 100 members
XLC Personnel Services - Indianapolis - 100 members
Baker & Daniels - Indianapolis - 356 members
Mutual Hospital Services - Indianapolis - 100 members

The Director approved this on April 8, 1998, under Delegated Authority.

4.) **INDIANA MEMBERS CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

Indiana Members Credit Union requests approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would

place the following organizations into the field of membership of the credit union:

BICC Cables Company - Indianapolis - 65 members

Employees of Southeast Neighborhood Development, Inc. - Indianapolis - 6 members

The Director approved this on April 9, 1998, under Delegated Authority.

5.) UNITED CREDIT UNION, WARSAW, KOSCIUSKO COUNTY, INDIANA

United Credit Union request approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Video & Sound Production, Inc.- Warsaw - 10 members

The Director approved this on April 13, 1998, under Delegated Authority.

6.) INDIANA TELCO CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA

Indiana Telco Credit Union requests approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Carter Pet Hospital - Indianapolis - 10 members

Berns Construction Co., Inc. - Indianapolis - 150 members

United Church Homes - Marion, OH - 135 members

BehaviorCorp - Carmel - 200 members

Carmel Clay Schools - Carmel - 1,480 members

American National Skyline Industries, Inc. - Indianapolis - 25 members

WorkSmart Systems, Inc. - Indianapolis - 2 members

Amalfi Ristorante Italiano - Indianapolis - 12 members

Corporate Benefit Plans, Inc. - Indianapolis - 4 members

Transcom USA - Carmel - 1,200 members

The Director approved this on April 28, 1998, under Delegated Authority.

7.) CENTRA CREDIT UNION, COLUMBUS, BARTHOLOMEW COUNTY, INDIANA

Centra Credit Union requests approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Advanced Engraving - Columbus - 10 members

Demaree Motors - Madison - 76 members
Doerflinger Insurance Agency, Inc. - Lawrenceburg - 5 members
Doctors Bear, Kirkpatrick - Madison - 8 members
Ivy Tech State College (Columbus) - Columbus - 115 members
Ivy Tech State College (Region II) - Madison - 147 members
Madison State Hospital - Madison - 512 members
Manpower Temporary Services - Madison - 100 members
McGubbin Ford, Inc. - Madison - 23 members
Ohio Valley Opportunities, Inc. - Madison - 58 members
Quality Machine & Tool - Columbus - 100 members
River Valley Technologies, Inc. - Madison - 30 members

The Director approved this on April 28, 1998, under Delegated Authority.

8.) **INDIANA MEMBERS CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

Indiana Members Credit Union requests approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organization into the field of membership of the credit union:

The Personnel Department - Indianapolis - 500 members

The Director approved this on May 6, 1998, under Delegated Authority.

9.) **TECH CREDIT UNION, CROWN POINT, LAKE COUNTY, INDIANA**

Tech Credit Union requests approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Opportunity Temps, Inc. - Springfield, IL - 100 members
Griffith-Merrillville Airport - Griffith - 20 members
Worldwide Systems Innovators, Inc. - Harvey, IL - 50 members
Franciscan Sisters of Chicago Service Corp. - Highland - 12 members
Family First Mortgage, Inc. - Evergreen Park, IL - 7 members
Wintergreen Systems and Service, Inc. - Merrillville - 14 members
Liss CARSTAR Collision Center - Crown Point - 12 members

The Director approved this on May 6, 1998, under Delegated Authority.

10.) **HOOSIER HILLS CREDIT UNION, BEDFORD, LAWRENCE COUNTY, INDIANA**

Hoosier Hills Credit Union requests approval of a Petition for Approval of Proposed

Amendment to the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Spring Mill Inn - Mitchell - 85 members
Dubois County Title Co., Inc. - Jasper - 8 members
Brooks Galloway Real Estate & Auction Co., Inc. - French Lick - 10 members
Systems Engineering & Consulting Co., Inc. - Linton - 40 members
Big Brothers Big Sisters of Dubois County - Jasper - 4 members
Dubois County Sheriff's Department - Jasper - 32 members
Employees of the City of Salem - Salem - 78 members
Boyer Real Estate, Inc. - Orleans - 8 members
Mid-Continent Development and Tourism, Inc. dba The Huntingburg Press
Huntingburg - 10 members
Woods Printing Co., Inc. - Holland - 19 members
Yesterdays Antiques & Collectibles, Inc. - Huntingburg - 3 members

The Director approved this on May 6, 1998, under Delegated Authority.

11.) UNITED CREDIT UNION, WARSAW, KOSCIUSKO COUNTY, INDIANA

United Credit Union requests approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

The Rental Shop - Warsaw - 9 members

The Director approved this on May 7, 1998, under Delegated Authority.

12.) GENERAL CREDIT UNION, FORT WAYNE, ALLEN COUNTY, INDIANA

General Credit Union request approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

K & J Builders - Fort Wayne - 2 members
TEK Interactive Group, Inc. - Fort Wayne - 11 members
Oakley's Carpet Cleaning - Fort Wayne - 1 member

The Director approved this on May 8, 1998, under Delegated Authority.

13.) TEACHERS CREDIT UNION, SOUTH BEND, ST. JOSEPH COUNTY, INDIANA

Teachers Credit Union request approval of a Petition for Approval of Proposed Amendment

to the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Rx Honing Machine Corp. - Mishawaka - 8 members
Synergy-OMNI Resources, Inc. - Carmel - 52 members
The Witt Company - Plymouth - 35 members
The Dietz Capital Advisory Group, LLC - South Bend - 1 member
B.E.L. Properties, Inc. - South Bend - 3 members
Mishawaka Dome Sports Complex, Inc. - Mishawaka - 10 members
Rhodes Distributors, Inc. - Elkhart - 12 members
Indiana Classified Advertising Managers' Association - South Bend - 40 members
Dave Jones Machinists - Mishawaka - 7 members
Design Logic, Inc. - Mishawaka - 2 members
Bashor Children's Home - Goshen - 85 members
Sopwith Motorsports Limited - Indianapolis - 15 members
Kerkhoff Services, Inc. - Warsaw - 1 member
Pro-to-Type Plus - Indianapolis - 1 member
SKB Corporation - Culver - 4 members
USA-1 Enterprises, Inc. - Nappanee - 6 members
Community Service Broadcasters, Inc. - Plymouth - 10 members
Employees of Kosciusko County - Warsaw - 449 members
Plymouth Broadcasting, Inc. - Plymouth - 3 members
Just Mailings - South Bend - 18 members
T&R Investments, Inc. - Mishawaka - 1 member
Buckeye Industries, Inc. - Argos - 15 members

The Director approved this on May 11, 1998, under Delegated Authority.

CONSUMER CREDIT DIVISION:

- 1.) **American Mortgage Solutions, Inc.** is requesting a consumer loan license. Applicant is based in Schaumburg, IL. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company. They currently operate in Illinois and Ohio. Applicant is recommended for approval. **The Director approved this on April 28, 1998, under Delegated Authority.**
- 2.) **American Traders, Inc.** is requesting a consumer loan license. Applicant is based in Portage, IN. They will be making payday loans and have also applied for a Pawnbroker license. Applicant is recommended for approval. **The Director approved this on April 28, 1998, under Delegated Authority.**
- 3.) **Charles Edward Schafer d/b/a Cash Today** is requesting a consumer loan license.

Applicant is based in Greenfield, IN. They will be making payday loans. They will be servicing their loans. Applicant is recommended for approval. American Mortgage Solutions, Inc. is requesting a consumer loan license. Applicant is based in Schaumburg, IL. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company. They currently operate in Illinois and Ohio. Applicant is recommended for approval. **The Director approved this on April 28, 1998, under Delegated Authority.**

- 4.) **Rita Ann Kirkman d/b/a Check With Us** is requesting a consumer loan license. Applicant is based in Whiteland, IN. They will be making payday loans and have also applied for a Check Cashing license. They will be servicing their loans. Applicant is recommended for approval. **The Director approved this on April 28, 1998, under Delegated Authority.**
- 5.) **Choice Mortgage Corp. USA** is requesting a consumer loan license. Applicant is based in Nashua, NH. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by title company/attorneys. They currently operate in five states. Applicant is recommended for approval. **The Director approved this on April 28, 1998, under Delegated Authority.**
- 6.) **Guaranty Home Equity Corporation d/b/a GB Home Equity** is requesting a consumer loan license. Applicant is based in Milwaukee, WI. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by mortgage brokers/title company. They currently operate in seven states and are a subsidiary of Guaranty Bank, a state savings bank in Milwaukee, WI. Applicant is recommended for approval. **The Director approved this on April 28, 1998, under Delegated Authority.**
- 7.) **Hoosier Check Cashier Now, Inc.** is requesting a consumer loan license. Applicant is based in Terre Haute, IN. They will be making payday loans and have also applied for a check cashing license. They will be servicing their loans. Applicant is recommended for approval. **The Director approved this on April 28, 1998, under Delegated Authority.**
- 8.) **Magellan Home Loans, LTD.** is requesting a consumer loan license. Applicant is based in Rye, NY. They will be making second mortgage loans. They will be servicing their loans. Loans will be closed by a title company. Applicant is recommended for approval. **The Director approved this on April 28, 1998, under Delegated Authority.**
- 9.) **Malone Mortgage Company America, LTD.** is requesting a consumer loan license. Applicant is based in Dallas, TX. Loans in Indiana will be made at one location in Carmel. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company. They currently operate in Texas and California. Applicant is recommended for approval. **The Director approved this on April 8, 1998, under Delegated Authority.**
- 10.) **Platinum USA Home Loan, Inc.** is requesting a consumer loan license. Applicant is based in Las Vegas, NV. They will be making second mortgage loans. They will not be servicing

their loans. Loans will be closed by a title company. They currently operate in four states. Applicant is recommended for approval. **The Director approved this on April 28, 1998, under Delegated Authority.**

- 11.) **Residential Equity Funding, Inc.** is requesting a consumer loan license. Applicant is based in Terre Haute, IN. They will be making second mortgage loans. The principals of the business are all very experienced in the mortgage business. They will not be servicing their loans. Loans will be closed by title company/attorneys. License are pending in 14 states. Applicant is recommended for approval. **The Director approved this on April 28, 1998, under Delegated Authority.**
- 12.) **Vanderbilt Mortgage and Finance, Inc.** is requesting a consumer loan license. Applicant is based in Louisville, KY. They will be making mobile home loans, direct loans, and purchase retail contracts from dealers. They will be servicing their loans. Loans will be closed by a title company if land involved. They currently operate in nine states. Applicant is recommended for approval. **The Director approved this on April 28, 1998, under Delegated Authority.**
- 13.) **Credit One Company d/b/a PAL Check Cashing** is requesting a check casher license. They currently have a loan license to make payday loans. Applicant is based in North Randall, OH. Licensee will have one location in Indiana. They will be cashing all types of checks and will charge 2-3% for checks other than personal which will be 8%. They currently operate in Ohio. Applicant is recommended for approval. **The Director approved this on April 28, 1998, under Delegated Authority.**
- 14.) **Hoosier Check Casher Now, Inc.** is requesting a check casher license. They have applied for a loan license to make payday loans. Applicant is based in Terre Haute, IN. They will be cashing all types of checks and will charge 2-4%. Fee will be higher on larger personal checks not to exceed statutory max of 10%. Applicant is recommended for approval. **The Director approved this on April 28, 1998, under Delegated Authority.**
- 15.) **Rita Ann Kirkman d/b/a Check With Us** is requesting a check casher license. They have also applied for a loan license to make payday loans. Applicant is based in Whiteland, IN. They will be cashing all types except personal checks. Fee will be 1 to 3%. Applicant is recommended for approval. **The Director approved this on April 28, 1998, under Delegated Authority.**
- 16.) **West Coast Services, Inc. d/b/a Payday Cash Advance** is requesting a check casher license. Applicant is based in Jasper, IN and has LL #1636 to make payday loans. They will be cashing all types of checks but, primarily business payroll checks for nearby business. Fee will be 3 to 5%. Applicant is recommended for approval. **The Director approved this on April 28, 1998, under Delegated Authority.**
- 17.) **American Traders, Inc.** is requesting a pawnbroker license. Applicant is based in Portage,

IN and has a loan license pending. The manager has worked in the pawnbroking business. All references are in order. The community need information is satisfactory. Division Supervisor Tarpey and Field Supervisor Benbow interviewed the principal officers, one of whom is the manager of the business. yThere is no reason to doubt the applicant's ability to operate in compliance with state & local ordinances. Applicant is recommended for approval. **. The Director approved this on April 28, 1998, under Delegated Authority.**

- 18.) **Hoosier Check Cashing of Ohio, Ltd, LLC d/b/a Check\$mart** is requesting a pawnbroker license. Applicant is based in Dublin, OH. Pawns in Indiana will be made at South Bend. The manager has experience in payday loans and check cashing operations. References are in order. Community need information is satisfactory. Division Supervisor Tarpey and Field Supervisor Benbow interviewed the president and manager of the business. They appear willing and able to comply with all applicable local & state statutes. Applicant has LL #1352 and CC #4. They are planning to do automobile pawns at one of their locations. They understand the requirement to hold the pawned item (auto). They will have a secured lot. Applicant is recommended for approval. **The Director approved this on April 28, 1998, under Delegated Authority.**
- 19.) **Orlandi Valuta Incorporated** is requesting a money transmitter license. Applicant is based in Los Angeles, CA. They currently operate in California, Florida, Georgia, Illinois, New Mexico, and Oregon. Money will be wire transfers to Mexico. Applicant has met all of the requirements for financial responsibility under the Act. They are a wholly owned subsidiary of Western Union Financial Services (MT license #005-200). Applicant is recommended for approval. **The Director approved this on April 28, 1998, under Delegated Authority.**
- 20.) **First Guaranty Insurance Services** is requesting approval as third party administrator for a Guaranteed Auto Protection (GAP) Program. Applicant is based in Dallas, TX. There is a contractual liability policy issued by Balboa Life & Casualty. The initial dealer requesting approval is Horner Pontiac Buick, Inc. There will be a full refund within first 60 days. There will be no refund upon prepayment. Maximum charge to the customer is \$350. The customer deductible is covered up to \$1,000. All future dealers will agree to abide by the same terms as those approved for the initial creditor. Approval is subject to review at a future date as deemed necessary by the Department. It is recommended that the program be approved as submitted and subject to the above conditions. This is provided for under IC 24-4.5-2-202(1)(c). **The Director approved this on April 28, 1998, under Delegated Authority.**
- 21.) **M. R. Kilgore/M. V. Ray d/b/a AAA Cash Advance** is requesting a consumer loan license. Applicant is based in Muncie, IN. They will be making payday loans. They will be servicing their loans. Applicant is recommended for approval. **The Director approved this on May 29, 1998, under Delegated Authority.**
- 22.) **C. M. A. Mortgage, Inc.** is requesting a consumer loan license. Applicant is based in Pendleton, IN. They will be making second mortgage loans. They will not be servicing their

loans. Loans will be closed by title company/attorneys. They currently operate in 14 states. Applicant is recommended for approval. **The Director approved this on May 29, 1998, under Delegated Authority.**

- 23.) **Freedom Mortgage Corp. d/b/a Freedom Home Mortgage Corp.** is requesting a consumer loan license. Applicant is based in Mt. Laurel, NJ. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by title company/attorneys. They currently operate in 44 states. Applicant is recommended for approval. **The Director approved this on May 29, 1998, under Delegated Authority.**
- 24.) **Lee's Package Liquor, Inc. d/b/a Lee's Cash & Go** is requesting a consumer loan license. Applicant is based in Indianapolis and is currently licensed as a check casher. They will be making payday loans. They will be servicing their loans. Applicant is recommended for approval. **The Director approved this on May 29, 1998, under Delegated Authority.**
- 25.) **National City Mortgage Co.** is requesting a consumer loan license. Applicant is based in Miamisburg, OH. Loans in Indiana will be made at three branches. They will be making second mortgage loans. They will not be servicing their loans. They currently operate in 31 states and are a wholly owned subsidiary of National City Corp. Applicant is recommended for approval. **The Director approved this on May 29, 1998, under Delegated Authority.**
- 26.) **Kruger Financial Group, Inc.** is requesting a consumer loan license. Applicant is based in Louisville, KY. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by title company/attorneys. Applicant is recommended for approval. **The Director approved this on May 29, 1998, under Delegated Authority.**
- 27.) **Sterling Mortgage and Investment Co.** is requesting a consumer loan license. Applicant is based in Farmington Hills, MI. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by a title company. Applicant is recommended for approval. **The Director approved this on May 29, 1998, under Delegated Authority.**

APPROVED:

ATTEST:

Mark Hasten, Chairman

J. Philip Goddard, Secretary